

220.115 Fiscal court procedure for alteration or dissolution of district.

- (1) Following a public hearing as provided in subsection (2) of this section, the fiscal court may alter the boundaries of a sanitation district by reducing its area or may dissolve a sanitation district if that sanitation district has for a period of two (2) consecutive years failed to provide the services for which it was established, or if all or a portion of its services can be or have been provided by some other entity. If the sanitation district is located in more than one (1) county, the fiscal court of each county containing a portion of the sanitation district shall vote to dissolve the sanitation district before the dissolution may take effect.
- (2) The fiscal court shall schedule a public hearing on the issue of alteration or dissolution and advertise the hearing as provided in KRS 424.130.
- (3) At the hearing, the fiscal court shall consider testimony offered at the hearing and any other relevant information including, but not limited to, the following:
 - (a) Present and projected need for the service by the sanitation district;
 - (b) Population density of the sanitation district;
 - (c) Existence of alternate providers of services;
 - (d) Revenue base of the sanitation district, including but not limited to, assessed valuation, bonding capacity, and user fees; and
 - (e) Consequences of alteration of the sanitation district's boundaries on the effectiveness and efficiency of the sanitation district.
- (4)
 - (a) If the fiscal court determines to dissolve a sanitation district, it shall determine a method to satisfy any legal obligations of the sanitation district that might be affected. Upon satisfaction of its legal obligations, the sanitation district shall be legally dissolved. Any special ad valorem tax imposed by the sanitation district shall be removed from the tax rolls by the county clerk, and any assets of the sanitation district shall be assumed by the county or otherwise transferred by contract to another entity for the purpose of providing service within the area of the sanitation district before dissolution.
 - (b) If the fiscal court determines to alter the boundaries of the sanitation district, it shall draw the new boundaries of the sanitation district and determine the proportional amount of existing legal obligations of the area that is to be excluded from the sanitation district. Upon satisfaction of the obligations, the new boundaries of the sanitation district shall be legally effective and the affected taxpayers shall be removed from the tax rolls of the sanitation district.
- (5) The dissolution procedure described in this section shall provide a means of dissolution of a sanitation district in addition to the dissolution procedure contained in KRS 65.166.

Effective: July 15, 1998

History: Created 1998 Ky. Acts ch. 37, sec. 1, effective July 15, 1998.